



GACL - NALCO Alkalies & Chemicals Private Ltd.

ANNUAL ACCOUNTS FOR THE YEAR 2021-22

Regd. Office: GACL P. O. Ranoli – 391 350, Dist.: Vadodara, Gujarat, INDIA.

INDEPENDENT AUDITORS' REPORT

To the Members of

GACL-NALCO Alkalies & Chemicals Pvt. Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **GACL-NALCO Alkalies & Chemicals Pvt. Ltd.** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including



Annexures to Board's Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.



Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;



- c. the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act;
- e. on the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164(2) of the Act;
- f. with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "B";
- g. with respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

the Company has neither paid nor provided for, any remuneration to its directors during the year; and

- h. the other matters to be included in the Auditors' Report in accordance with Rule 11 of with respect to the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses as at March 31, 2022;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been



- advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.
- v. The company has not declared or paid any dividend during the year.

For K.C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

PJ Amin

Pritesh Amin
Partner
Membership No. 105926
UDIN: 22105926AJDFOE2980
Place: Vadodara
Date: May 17, 2022



ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

The annexure referred to in our Independent Auditors' Report to the members of **GACL-NALCO Alkalies & Chemicals Pvt. Ltd.** ("the Company") on the financial statements for the year ended March 31, 2022, we report that:

- i. In respect of the Company's Property, Plant and Equipment:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ("PPE");
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Company has a regular program of physical verification of fixed assets which, in our opinion is reasonable. The assets which were to be covered as per the said program have been physically verified by the management during the year. In our opinion and According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
 - d) The Company has not revalued its PPE (including Right of Use Assets) or intangible assets or both during the year, and hence reporting under this clause of the Order is not applicable to the Company;
 - e) According to the information and explanations given to us no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules thereunder, hence disclosure in its financial statements is not required.
- ii. In respect of Inventories:
 - a) The Inventories except for goods-in-transit have been physically verified by the management during the year and in our opinion, the coverage and procedure for such verification is reasonable. As explained to us, there were no discrepancies of 10% or more in the aggregate for each class of inventory on physical verification of inventory as compared to the book records.
 - b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, during the year, which are unutilized from banks or financial institutions on the basis of security of current assets and therefore, reporting under this clause of the Order is not applicable to the Company.



- iii. During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and therefore the reporting under this clause of the Order is not applicable to the Company.
- iv. The Company has not granted any loans, made any investments, or provided any guarantees or security to which provisions of section 185 and 186 of the Act apply and therefore, reporting under clause (iv) of the Order is not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year from the public and consequently, the directives issued by Reserve Bank of India, the provisions of sections 73 to 76 of the Act and rules framed there under are not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us, in view of Rule 3 of the Companies (Cost Records and Audit) Amendments Rules 2014 the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company and therefore, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. (a) According to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues, including Goods and Services Tax, provident fund, income-tax, cess and other material statutory dues applicable to it. Further, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, income tax, cess and any other statutory dues were in arrears, as at March 31, 2022, for a period of more than six months from the date they become payable.
(b) According to the information and explanations given to us, there are no statutory dues as referred to in sub clause (a) above which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, no unrecorded transactions in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
(b) The Company has not been declared wilful defaulter by any bank or financial institution or other lenders.



- (c) In our opinion and according to information and explanation given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
 - (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have not been used during the year for long-term purposes by the Company.
 - (e) The Company does not have any subsidiaries, associates or joint ventures and hence, reporting under this clause of the Order is not applicable.
 - (f) The Company has not raised any loans on pledge of securities during the year and therefore reporting on this clause of the Order is not applicable.
- x.
- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instrument) during the year and therefore, reporting under this clause of the Order is not applicable to the Company.
 - (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and therefore, reporting under this clause of the Order is not applicable to the Company.
- xi.
- (a) To the best of our knowledge and according to information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year;
 - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report;
 - (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi company and therefore, reporting under clause (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv.
- (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business;
 - (b) The reports of internal auditors for the period under audit have been considered by us.



- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors and therefore, reporting under clause (xv) of the Order is not applicable to the Company.
- xvi. (a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year of Rs. 282.79 Lacs and Rs. 166.97 lacs respectively.
- xviii. There has been no resignation of the statutory auditors during the year and therefore, reporting under this clause of the Order is not applicable to the Company;
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due;
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the



said Act. Accordingly, reporting under clause (3)(xx)(a) of the Order is not applicable for the year.

(b) The Company does not have any ongoing project for Corporate Social Responsibility (CSR) and accordingly reporting under clause (3)(xx)(b) of the Order is not applicable for the year.

xxi. The Company is not required to prepare consolidated financial statements and therefore, reporting under this clause of the Order is not applicable to the Company.

For K.C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

PJ Amin

Pritesh Amin
Partner
Membership No. 105926
UDIN: 22105926AJDFOE2980
Place: Vadodara
Date: May 17, 2022



ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **GACL-NALCO Alkalies & Chemicals Pvt. Ltd.** on the financial statements of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls with reference to financial statements of **GACL-NALCO Alkalies & Chemicals Pvt. Ltd.** ("the Company") as of March 31, 2022, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the, "Guidance note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements



included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential



components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K.C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

PJAmin

Pritesh Amin
Partner
Membership No. 105926
UDIN: 22105926AJDFOE2980
Place: Vadodara
Date: May 17, 2022





GACL - NALCO Alkalies & Chemicals Private Limited

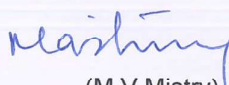
Balance Sheet as at March 31, 2022.

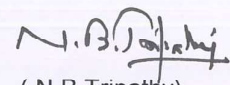
(Rs. In lakhs)

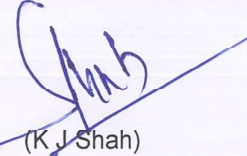
Particulars	Note No.	As at 31.3.2022	As at 31.3.2021
ASSETS			
1. Non-current assets			
a) Property, Plant and Equipment	2	1,13,368.92	67.48
b) Right-of-use asset.	2	7,716.41	7,804.52
c) Intangible assets	2	69.08	41.00
d) Capital work-in-progress	3	53,875.08	1,39,932.65
e) Financial Assets: Others	4	765.52	26.56
f) Other non-current assets	5	27,869.09	27,775.94
Total non-current assets		2,03,664.10	1,75,648.15
2. Current assets:			
a) Inventories	6	1,293.27	-
b) Financial Assets:			
Trade Receivables	7	23.78	-
Cash & Cash Equivalents	8	24,484.73	9,506.55
Other Bank Balances	9	3,108.96	5,052.84
Others	10	119.07	126.06
c) Other current assets	11	3.87	3.74
d) Current tax assets (Net)		22.49	20.91
Total current assets		29,056.17	14,710.10
TOTAL ASSETS		2,32,720.27	1,90,358.25

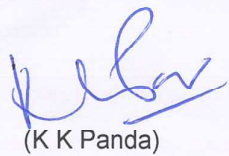
See accompanying notes to financial statements (1 - 35)


For and on behalf of Board of Directors


(M V Mistry)
Company Secretary


(N B Tripathy)
Chief Financial Officer


(K J Shah)
Chief Executive Officer


(K K Panda)
Director
DIN-08436491


(S S Bhatt)
Director
DIN-2025125

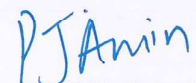
As per our report of even date attached.

For K C Mehta & Co.

Chartered Accountants

FRN - 106237W




(Pritesh Amin)

Partner

M No.105926

Place: Vadodara

Date: 17/05/2022



GACL - NALCO Alkalies & Chemicals Private Limited

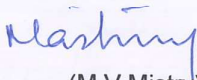
Balance Sheet as at March 31, 2022 (Contd.)

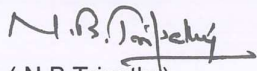
(Rs. In lakhs)

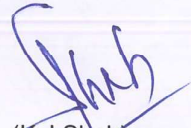
Particulars	Note No.	As at 31.3.2022	As at 31.3.2021
EQUITIES AND LIABILITIES			
1. Equity			
a) Share Capital	12	69,000.00	69,000.00
b) Other equity	13	(859.18)	(489.62)
Total Equity		68,140.82	68,510.38
2. Liabilities			
Non-current liabilities			
a) Financial Liabilities:			
Borrowings	14	1,52,951.75	1,06,987.73
Total non-current liabilities		1,52,951.75	1,06,987.73
Current liabilities			
a) Financial Liabilities:			
(i) Trade Payables:			
- Outstanding dues to Micro and Small enterprises	15	3.06	-
- Others	15	19.62	1,377.95
(ii) Others	16	11,412.69	13,383.40
b) Other current liabilities	17	192.33	98.79
Total current liabilities		11,627.70	14,860.14
TOTAL EQUITIES AND LIABILITIES		2,32,720.27	1,90,358.25

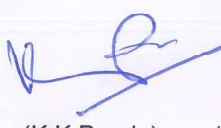
See accompanying notes to financial statements (1 - 35)

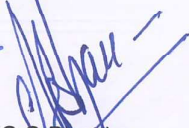
For and on behalf of Board of Directors


(M V Mistry)
Company Secretary


(N B Tripathy)
Chief Financial Officer


(K J Shah)
Chief Executive Officer


(K K Panda)
Director
DIN-08436491


(S S Bhatt)
Director
DIN-2025125

As per our report of even date attached.

For K C Mehta & Co.
Chartered Accountants
FRN - 106237W




(Pritesh Amin)
Partner
M No.105926

Place: Vadodara
Date: 17/05/2022



GACL - NALCO Alkalies & Chemicals Private Limited

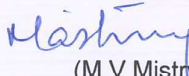
Statement of Profit and Loss for the year ended March 31, 2022.

(Rs. In lakhs)

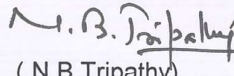
Particulars	Note No.	For the year ended 31.3.2022	For the year ended 31.3.2021
INCOME			
i) Revenue from operations	18	42.47	-
ii) Other Income	19	19.58	59.17
iii) Total Income (i+ii)		62.05	59.17
iv) EXPENSES			
a) Cost of Materials consumed	20	42.47	-
b) Employee benefit expenses	21	155.05	99.32
c) Finance Cost	22	13.80	-
d) Depreciation and amortisation expenses	23	86.77	18.61
e) Other expenses	24	133.52	111.44
Total expenses		431.61	229.37
v) Profit / (Loss) before tax (iii - iv)		(369.56)	(170.20)
vi) Tax expense:	25		
Current Tax for the year		-	15.38
Deferred Tax		-	-
vii) Profit / (Loss) for the period (v - vi)		(369.56)	(185.58)
viii) Other Comprehensive income		-	-
ix) Total comprehensive income / (Loss) for the period		(369.56)	(185.58)
Earning per equity share (face value of Rs.10 each)			
Basic & Diluted (Ref Note No. 27)		(0.05)	(0.03)

See accompanying notes to financial statements (1 - 35)


For and on behalf of Board of Directors


(M V Mistry)

Company Secretary


(N B Tripathy)

Chief Financial Officer


(K J Shah)

Chief Executive Officer


(K K Panda)

Director

DIN-08436491


(S S Bhatt)

Director

DIN-2025125

As per our report of even date attached.

For K C Mehta & Co.
Chartered Accountants
FRN - 106237W




(Pritesh Amin)

Partner

M No.105926

Place: Vadodara

Date: 17/05/2022



GACL - NALCO Alkalies & Chemicals Private Limited

Cash Flow Statement for the year ended March 31, 2022

(Rs. In lakhs)

Particulars	For the year ended 31.3.2022	For the year ended 31.3.2021
A. Cashflow from Operating activities:		
Net profit / (Loss) before tax	(369.56)	(170.20)
Adjustments for:		
Depreciation and amortisation	86.77	18.61
Gain on sale of PPE	(0.05)	-
Interest income	(18.73)	(33.40)
Operating profit/ (Loss) before changes on working capital	(301.57)	(184.99)
Adjustments for Increase/ (Decrease) in operating assets		
Trade Receivables	(23.79)	-
Inventories	(1,293.27)	-
Other financial assets	(731.97)	90.55
Other assets	1.78	(19.77)
Adjustments for increase/ (Decrease) in operating liabilities		
Trade payable	(1,355.27)	17.07
Other financial liabilities	(1,970.71)	-
Other liabilities	93.55	(10.40)
Cash generated / ((Used in) before tax	(5,581.25)	(107.54)
Income tax (paid) / refunded	(1.60)	(35.67)
Net Cash flow from operating activities after tax	(5,582.85)	(143.21)
B. Cashflow from Investing activities:		
(Purchases) of PPE & CWIP including capital advances	(21,377.82)	(38,818.45)
Sale of PPE	0.55	-
Interest Income	18.73	33.40
Bank balance not considered as Cash & cash equivalent	1,943.88	1,200.64
Net Cashflow from / (used in) Investing activities	(19,414.66)	(37,584.41)
C. Cashflow from Financing activities:		
Proceeds from Issue of Shares	-	9,000.00
Proceeds from borrowings (Net of transaction cost - Ref Note 14)	45,964.02	36,877.39
Finance Cost	(5,988.33)	(3,972.08)
Net Cashflow from / (used in) Financing activities	39,975.69	41,905.31
D. Net Increase / (Decrease) in Cash & Cash Equivalents:	14,978.18	4,177.69
E. Cash & Cash Equivalents - At beginning of the period	9,506.55	5,328.86
F. Cash & Cash Equivalents - At end of the period	24,484.73	9,506.55

Notes:

1 Cash and cash equivalents comprises of :

Balance with Banks	24,484.73	9,506.55
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2 The Cash Flow Statement has been prepared under the Indirect Method as set out in Ind As-7 "Statement of Cash Flows".

3 The Company has capitalised borrowing cost (net) of Rs.44,99.31 lakhs (P.Y. Rs.39,72.08 lakhs) to Property, Plant and Equipment's (Capital Work in Progress) in accordance with the Ind AS 23-Borrowing Cost.

4 Change in liability arising from financial activities:

Borrowing Non-current:		
Opening Balance	1,06,987.73	70,110.34
Cashflow	39,004.42	38,152.74
Foreign Exchange and non-cash movement (net off)	6,959.60	(1,275.35)
Closing Balance	1,52,951.75	1,06,987.73

See accompanying notes to financial statements

For and on behalf of Board of Directors

(M V Mistry)	(N B Tripathy)	(K J Shah)	(K K Panda)	(S S Bhatti)
Company Secretary	Chief Financial Officer	Chief Executive Officer	Director	Director
			DIN-08436491	DIN-025125

As per our report of even date attached.

For K C Mehta & Co.
Chartered Accountants
FRN - 106237W



(Pritesh Amin)
Partner

Place: Vadodara
Date: 17/05/2022

M No. 105926



GACL - NALCO Alkalies & Chemicals Private Limited

Statement of Changes in Equity for the year ended March 31, 2022.

A: Equity Share Capital:

(Rs. In lakhs)

Balance as at 1st April, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1st April, 2021	Changes in equity share capital during the year	Balance as at 31st March, 2022
69,000.00	-	69,000.00	-	69,000.00

Balance as at 1st April, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1st April, 2020	Changes in equity share capital during the year	Balance as at 31st March, 2021
60,000.00	-	60,000.00	9,000.00	69,000.00

B: Other Equity:

(Rs. In lakhs)

Particulars	Reserve & Surplus	Total Equity
	Retained Earnings	
Balance as at 1st April, 2021	(489.62)	(489.62)
Changes in accounting policy or prior period errors	-	-
Restated balance as at 01st April, 2021	(489.62)	(489.62)
Total comprehensive income for the current year	(369.56)	(369.56)
Balance as at 31st March, 2022	(859.18)	(859.18)

Particulars	Reserve & Surplus	Total Equity
	Retained Earnings	
Balance as at 1st April, 2020	(304.04)	(304.04)
Changes in accounting policy or prior period errors	-	-
Restated balance as at 01st April, 2021	(304.04)	(304.04)
Total comprehensive income for the current year	(185.58)	(185.58)
Balance as at 31st March, 2021	(489.62)	(489.62)

See accompanying notes to financial statements (1 - 35)


(M V Mistry)
Company Secretary


(N B Tripathy)
Chief Financial Officer


(K J Shah)
Chief Executive Officer


(K K Panda)
Director
DIN-08436491


(S S Ghatt)
Director
DIN-2025125

As per our report of even date attached.

For K C Mehta & Co.
Chartered Accountants
FRN - 106237W




(Pritesh Amin)

Partner

M No.105926

Place: Vadodara

Date: 17/05/2022



Notes to the Financial Statements

Note No. 1:

1. General Information:

1. GACL-NALCO Alkalies & Chemicals Private Limited (the Company), having CIN U24100GJ2015PTC085247 is a Private Limited company incorporated and domiciled in India and has registered office at GACL Corporate Building, PO: Ranoli – 391350 District - Vadodara, Gujarat, India. The equity shares of the company are held by Gujarat Alkalies and Chemicals Limited (GACL), a Company promoted by Government of Gujarat and National Aluminium Company Limited (NALCO), a Government of India company, at 60:40 ratio respectively. The Company is a joint venture between GACL and NALCO and both the equity owners are listed on the stock exchanges.

The Company is setting up a green field project of 800 TPD caustic soda manufacturing plant along with a 2X65 MW coal-based cogeneration power plant at Dahej PCPIR region of Gujarat at an investment of Rs. 2,300 crores. As of 31st March 2022, the Company has achieved 96 % progress in project implementation and declared Commercial Operation Date (COD) On 30th March 2022.

2. Statement of Compliance:

The Financial Statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

3. Application of Indian Accounting Standards:

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered in preparing these financial statements.

The following standards / amendments to standards have been issued and will be effective from 1st April 2022. The Company is evaluating the requirements of these standards, improvements and amendments and has not yet determined the impact on the financial statements.

Indian Accounting Standard (Ind AS) 103 – Business Combinations – Qualifications prescribed for recognition of the identifiable assets acquired and liabilities assumed, as part of applying the acquisition method – should meet the definition of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the ICAI at the acquisition date.

Modification to the exceptions to recognition principle relating to contingent liabilities and contingent assets acquired in a business combination at the acquisition date.

Indian Accounting Standard (Ind AS) 109 – Financial Instruments – Modification in accounting treatment of certain costs incurred on derecognition of financial liabilities.

Indian Accounting Standard (Ind AS) 16 - Property, Plant and Equipment – Modification in treatment of excess of net sale proceeds of items produced over the cost of testing as part of cost of an item of property, plant, and equipment.



N. R. D. Patel 6-

Indian Accounting Standard (Ind AS) 37 - Provisions, Contingent Liabilities and Contingent Assets – Modifications in application of recognition and measurement principles relating to onerous contracts.

II. Significant Accounting Policies:**1.1 Basis of preparation and presentation:**

The Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below:

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

1.2 Use of estimates:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in notes below. Accounting estimates could change from period to period. Actual results could differ from these estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, then effects are disclosed in the notes to the financial statements.

1.3 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or company's assumptions about pricing by market participants.

2. Property, Plant and Equipment:

- 2.1 Property, Plant and Equipment (PPE) are stated at cost, less accumulated depreciation and impairment, if any.
- 2.2 Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The Company depreciates property, plant and equipment over their estimated useful lives as prescribed under Schedule II of Companies Act 2013 (except as stated at # below) using the straight-line method. The estimated useful lives of the assets are as follows:

Asset	Useful life
Buildings	30 to 60 years
Plant and Equipment	
- Co-generation Steam Power plant	25 years
- Membrane of cell elements #	4 Years
- Anode and Cathode of cell elements #	8 Years
- Other than mentioned above	30 years
Furniture and Fixture	10 years
Computers and its peripherals	3 to 6 years
Office Equipment	5 years

based on nature of assets and technical advice

- 2.3 Assets in the course of construction for production of goods and/or services or for administrative purposes or for which classification is not yet determined and are not put to use are included under **capital work-in-progress** and are carried at cost. Advances paid towards the acquisition of property plant and equipment and outstanding at Balance Sheet date is classified as Capital advances under "Other Non-Current Assets".
- 2.4 An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.
- 2.5 The residual value of assets is estimated to be 5 % of original cost The estimated useful lives, residual value and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in the estimate accounted for on a prospective basis.
- 2.6 Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.
- 2.7 Depreciation on additions/deletions during the year is provided for on a pro-rata basis with reference to the date of additions/deletions except low value items not exceeding Rs.5,000/- which are fully depreciated at the time of addition.

3. Intangible Assets:

Intangible assets with finite useful life that are acquired separately are carried at cost less accumulated amortization. Amortization is recognized on straight line basis over their estimated useful lives without retaining any residual value. The estimated useful lives and amortization method are reviewed at the end of each reporting period, with the effect of any changes in the estimate accounted for on a prospective basis.

The estimated useful lives of intangible assets are as follow:

Asset	Useful life
Accounting Software	5 Years

4. Impairment of Tangible and intangible assets:

Tangible assets (Property, Plant and Equipment including Capital Works in Progress) and Intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment is recognized in the Statement of Profit and Loss and is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

5. Inventories:

Inventory of raw material, including bulk material such as coal, salt and fuel oil are valued at lower of cost net of tax credit, where ever applicable and net realisable value. Stores and spares are valued at cost net of tax credit wherever applicable. Cost of raw materials, stores and are determined on moving weightage average price.

Inventories of finished goods, semifinished goods, intermediary products and work in process are valued at lower of cost and net realisable value. Cost is determined moving weighted average price of materials, appropriate share of labour and related overheads.

6. Income Recognition:

Income is measured at the fair value of the consideration received or receivable.

Sale of goods:

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured on the basis of contracted price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Interest Income:

Interest income from financial assets is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on the time basis by reference to the principal outstanding and at the effective interest rate applicable.

Other Income:

Other income is recognized on accrual basis except when realization of such income is uncertain.

7. Leases:

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

(A) Lease Liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

(B) Right-of-use assets

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent measurement:

(A) Lease Liability

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

(B) Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the under lying asset.

Impairment

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other

assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Short term Lease:

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

As a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

8. Foreign currency transaction:

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which the Company operates.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in statement of profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

9. Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in statement of profit or loss in the period in which they are incurred.

Borrowing costs consist of interest and transaction costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

10. Employee benefits:

Short Term Employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability. These benefits include salary, wages, bonus, compensated absences, etc.

Post employment benefit

Defined Contribution plan: The company's contribution to defined contribution plan paid/payable for the year is charged to the Statement of Profit and loss.

Defined Benefit Plan: The employees of the company do not come under the purview of the Payment of Gratuity Act, 1972. However, Provision for gratuity has been voluntarily made on accrual basis as per the Payment of Gratuity Act, 1972.

11. Income Taxes:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'Profit Before Tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity

has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax expense for the year:

Current and deferred tax expense is recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

12. Provision, Contingent liabilities and Contingent assets:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

13. Financial instruments:

The Company determines the classification of its financial assets and liabilities at initial recognition. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Initial Recognition:

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss.

Subsequent Measurement

I. Financial assets

a. Cash and Cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase,

to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

b. Financial assets carried at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c. Financial assets at fair value through Other Comprehensive Income (FVTOCI)

Financial Assets are subsequently measured at fair value through Other Comprehensive Income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in Other Comprehensive Income based on its business model.

d. Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition.

e. Impairment of Financial Assets

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

f. Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset in its entirety, (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in statement of profit and loss.

II. Financial liabilities

a. Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method where the time value of money is significant. Interest bearing issued debt are

initially measured at fair value and are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the statement of profit and loss.

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

b. Derecognition of financial liabilities

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

14. Earning per share:

Basic earnings per share are computed by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company did not have any potentially dilutive securities in any of the period presented.

III. Critical judgements, Assumptions and Key source of estimation uncertainty:

Inherent in the application of many of the accounting policies used in preparing the Financial Statements is the need for Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised, and future periods are affected.

Key source of judgments, assumptions and estimates in the preparation of the Financial Statements which may cause a material adjustment to the carrying amounts of assets and liabilities are in respect of useful lives and determination of commercial commissioning date of Property, Plant and Equipment.

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Notes to the financial statements

Tangible Assets	Plant and Equipment, Right-of-use Assets and Intangible Assets					(Rs. In lakhs)	
	Plant & Machinery	Buildings	Furniture & Fixtures	Office Equipment	Right-of-use Assets	Total	Intangible Assets
As at 1st April 2020	-	-	28.21	42.34	70.55	7,980.91	0.52
Additions	-	-	0.16	33.57	33.73	-	44.28
Deduction / Adjustments	-	-	-	-	-	-	-
As at 31st March 2021	-	-	28.37	75.91	104.28	7,980.91	44.80
Additions	1,00,791.86	12,474.83	42.31	58.20	1,13,367.20	-	44.30
Deduction / Adjustments	-	-	-	1.67	1.67	-	-
As at 31st March 2022	1,00,791.86	12,474.83	70.68	132.44	1,13,469.81	7,980.91	89.10
Accumulated Depreciation							
As at 1st April 2020	-	-	5.36	16.30	21.66	88.28	0.33
Additions	-	-	4.40	10.74	15.14	88.11	3.47
Deduction / Adjustments	-	-	-	-	-	-	-
As at 31st March 2021	-	-	9.76	27.04	36.80	176.39	3.80
Additions	32.43	2.91	9.23	20.74	65.31	88.11	16.22
Deduction / Adjustments	-	-	-	1.22	1.22	-	-
As at 31st March 2022	32.43	2.91	18.99	46.56	100.89	264.50	20.02
Net Block							
As at 31st March 2021	-	-	18.61	48.87	67.48	7,804.52	41.00
As at 31st March 2022	1,00,759.43	12,471.92	51.69	85.88	1,13,368.92	7,716.41	69.08

Assets pledged as security:

- 1 The Right-of-use assets is a leasehold land from GIDC and all rights/interest thereunder are pledged as security to the bankers under a mortgage.
- 2 All movable and Immovable assets including Plant and Machineries and other assets are pledged as security on pari passu basis to the bankers under a mortgage. The Company is not allowed to sell these assets to other entity.
- 3 GNAL declared Commercial Operation Date (COD) as 30th March 2022 and capitalised various units of CPP and CSP like LDO system, Raw water system, Cooling water system, D M water system, Compressed air system, portable and fire water system, 220 KV Switch yard, 33 KV electrical systems and Boiler of Unit-1. Salt handling system, Steam network, Inst. Air System, cooling water network, HVAC system, DCS and Caustic Evaporation Unit, cell unit and common utilities like canteen, stores, roads, drainage and sewerage lines etc.



Notes to the financial statements

(Rs. In lakhs)

Note - 3, Capital Work-in-progress:

Particulars	As at 31.3.2022	As at 31.3.2021
Capital Work-in-progress	51,529.51	1,18,898.04
Stock of plant & machineries including 2 years maintenance spares.	2,345.57	21,034.61
	53,875.08	1,39,932.65

a) All movable and Immovable assets including Plant and Machineries and other assets are pledged as security on pari passu basis to the bankers under a mortgage. The Company is not allowed to sell these assets to other entity.

b) Capital Work in Progress mentioned above includes the following amounts capitalised during the year in the course of construction:

Particulars	During the year ended 31.03.22	During the year ended 31.03.21
Employee Benefit Expenses	397.34	194.42
Depreciation and Amortisation Expenses	87.62	88.11
Finance Costs	4,499.31	3,972.08
Project Insurance and Consultancy fees	96.48	89.63
Foreign Exchange Loss / (Gain)	2,184.28	1,104.50
	7,265.03	5,448.74

Capital Work-in-progress Ageing Schedule:

Particulars	As at 31.3.2022		As at 31.3.2021	
	Projects in Progress	Projects temporarily suspended	Projects in Progress	Projects temporarily suspended
Less than 1 year	15,000.92	-	38,854.25	-
1 year to 2 years	38,874.16	-	84,409.53	-
2 years to 3 years	-	-	16,261.81	-
More than 3 years	-	-	407.16	-
	53,875.08	-	1,39,932.75	-
Total:		53,875.08		1,39,932.75

Completion Schedule:

Particulars	To be completed in			
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years
800 TPD Caustic soda plant with 2 X 65 MW cogeneration plant	53,875.08			

The project was earlier scheduled to be completed on 5th April 2021. However, due to adverse impact of Covid19 pandemic, the completion is delayed and is expected to be completed during FU 2022-23, with no cost overrun.

Note - 4, Financial Assets : Others:

Particulars	As at 31.3.2022	As at 31.3.2021
Unsecured, considered good		
Security Deposits	765.52	26.56
Total	765.52	26.56





Notes to the financial statements

(Rs. In lakhs)

Note - 5, Other Non-Current Assets:

Particulars	As at 31.3.2022	As at 31.3.2021
Secured, considered good		
Capital advances	2,032.57	4,073.97
Unsecured, considered good		
Balance with Govt. authorities	25,822.41	23,685.96
Expenses paid in Advance	14.11	16.01
Total	27,869.09	27,775.94

Note No 6, Inventories:

Particulars	As at 31.3.2022	As at 31.3.2021
Raw Materials	346.58	
Coal and Fuel oil	820.53	-
Work-in-process	-	-
Finished goods *	88.76	-
Stock of Spares and consumables	37.40	-
Total	1,293.27	-

* The above includes 47 % CS Lye produced out of trial operation run before declaration of COD.

Note No 7, Trade Receivables:

Particulars	As at 31.3.2022	As at 31.3.2021
a) Secured, Considered Good		
b) Un-Secured:		
Considered Good	23.78	-
Considered doubtful	-	-
	<u>23.78</u>	<u>-</u>
c) Which has significant increase in credit risk	-	-
d) Credit impaired	-	-
	<u>-</u>	<u>-</u>
	Total: 23.78	-
Less: Expected credit loss allowance	-	-
Total	23.78	-

Trade Receivables Ageing:

Particulars	Outstanding for following periods from the date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivables - considered good	23.78	-	-	-	-	23.78
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-





Notes to the financial statements

(Rs. In lakhs)

(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

Note 8, Cash and Cash Equivalents (at amortised cost)

Particulars	As at 31.3.2022	As at 31.3.2021
- In Current Account	24,484.73	9,506.55
- In deposit accounts	-	-
Total	24,484.73	9,506.55

Note 9, Other Bank balances (at amortised cost)

Particulars	As at 31.3.2022	As at 31.3.2021
Deposit with bank held as margin money against BG	3,108.96	5,052.84
Total	3,108.96	5,052.84

The above include: (a) Rs. 153.96 lakhs (previous year Rs.615.84 lakhs) held as margin money against issuance of BG of Rs.615.84 lakhs and (b) Rs. 2,955.00 lakhs (previous year Rs.4,437.00 lakhs) held as precondition to ECB sanction held for servicing IDC of ECB loan.

Note 10, Other financial assets (at amortised cost)

Particulars	As at 31.3.2022	As at 31.3.2021
Unsecured, considered good		
Security deposits	68.19	47.19
Interest Receivable	50.08	67.32
Others	0.80	11.55
Total	119.07	126.06

Note No 11, Other Current Assets:

Particulars	As at 31.3.2022	As at 31.3.2021
Unsecured, considered good		
Expenses paid in Advance	3.87	3.74
Total	3.87	3.74

Note 12, Equity Share Capital

Particulars	As at 31.3.2022	As at 31.3.2021
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Notes to the financial statements

(Rs. In lakhs)

Authorized:

69,00,00,000 (Previous year 69,00,00,000) equity shares of Rs.10 each

69,000.00 69,000.00

Issued, subscribed and paid up:

69,00,00,000 (previous year 69,00,00,000) equity shares of Rs.10 each

69,000.00 69,000.00

Total**69,000.00 69,000.00**

Reconciliation of number of equity shares outstanding at the beginning and at the end of reporting period is as under:

Particulars	No. of Shares	Share Capital (Rs.in lakhs)
As at 1st April 2020	60,00,00,000	60,000.00
Additions	9,00,00,000	9,000.00
As at 31st March 2021	69,00,00,000	69,000.00
Additions	-	-
As at 31st March 2022	69,00,00,000	69,000.00

Details of aggregate number of equity shares issued for consideration other than cash:

Particulars	Face Value	Year of Issue
39,88,27,334 (PY 39,88,27,334) equity shares of Rs.10 each	Rs. 10 each	2017-18

*Equity Shares was issued to GACL in lieu of cost of 39.1 hectares of land at DII/9, PCPIR Zone of Gujarat Industrial Estate, Dahej, Gujarat.

Details of Shareholder holding more than 5 percent share in Company:

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	No. of shares	Extent of Holding	No. of shares	Extent of Holding
GACL	41,40,00,000	60.00%	41,40,00,000	60.00%
NALCO	27,60,00,000	40.00%	27,60,00,000	40.00%

Right, Preferences and restrictions attached to Equity Shares

For all matters submitted to vote in a shareholders meeting of the Company every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have one vote in respect of each share held. Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company all preferential amounts, if any, shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

Shareholding of promoters

Promoters Name	As at 31st March, 2022			As at 31st March, 2021		
	No of Shares	% of total shares	% change	No of Shares	% of total shares	% change
Equity Shares with voting rights						
Gujarat Chemicals & Alkalies Limited	41,40,00,000	60%	Nil	41,40,00,000	60%	Nil
National Aluminium Company Limited	27,60,00,000	40%	Nil	27,60,00,000	40%	Nil
Total:	69,00,00,000	100%	-	69,00,00,000	100%	-





Notes to the financial statements

(Rs. In lakhs)

Note 13, Other Equity

Particulars	As at 31.3.2022	As at 31.3.2021
Retained Earnings	(859.18)	(489.62)
Total	(859.18)	(489.62)

Particulars relating to Other Equity

Particulars	As at 31.3.2022	As at 31.3.2021
Balance at beginning of the year	(489.62)	(304.04)
Profit / (loss) for the year	(369.56)	(185.58)
Balance at end of the year	(859.18)	(489.62)

Note 14, Borrowings

Particulars	As at 31.3.2022	As at 31.3.2021
Secured at amortised cost		
Rupee Term Loan from Punjab National Bank	77,447.64	44,859.19
USD ECB from State bank of India	75,504.11	62,128.54
Balance at end of the year	1,52,951.75	1,06,987.73

Reconciliation of change in borrowing from financial activities - RTL from PNB

Particulars	As at 31.3.2022	As at 31.3.2021
Opening balance	44,859.19	25,010.58
Proceeds raised	32,600.00	20,000.00
Non-cash changes (EIR and interest payable)	3,463.37	22.24
Interest Paid	(3,474.92)	(173.63)
Balance at end of the year	77,447.64	44,859.19

Reconciliation of change in borrowing from financial activities - USD ECB from SBI

Particulars	As at 31.3.2022	As at 31.3.2021	As at 31.3.2022	As at 31.3.2021
Opening balance	85,000,000 USD	60,000,000 USD	62,128.54	45,099.76
Proceeds raised	15,000,000 USD	25,000,000 USD	10,923.00	18,667.00
Non-cash changes (EIR, FC gain/loss and interest payable)			3,496.23	(1,275.35)
Interest Paid			(1,043.66)	(362.87)
Balance at end of the year	100,000,000 USD	85,000,000 USD	75,504.11	62,128.54

Nature of Security:

1. First charge on pari passu basis by way of mortgage / assignment / charge, both present and future, of (a) all movable and immovable assets; (b) benefits and claims on project contracts; and (c) all bank accounts.
2. Second charge by way of hypothecation on all current assets of the company.

The terms of repayment of the above loans are as follows:

Particulars	Year ended	No. of instalments after the Balance Sheet date	Amount of each instalment
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Notes to the financial statements

(Rs. In lakhs)

Punjab National Bank	31.3.2022	36 quarterly installments	2,444.44
Commencement of repayment of principal - 30th April 2023			
Date of Maturity - 31st January 2032			
Rate of Interest - One year PNB MCLR, presently 7.25 % (PY 7.35 %)			
Interest is payable on monthly basis.			
State Bank of India	31.3.2022	9 half yearly installments	Variable from 4% to 16% of loan amount
Commencement of repayment of principal - 30th April 2023			
Date of Maturity - 30th April 2027			
Rate of Interest - 6 months USD LIBOR plus 1.30 % (PY - 6 months USD LIBOR plus 1.30 %)			
Interest is payable on half yearly basis.			

Note 15: Trade Payable

Particulars	As at 31.3.2022	As at 31.3.2021
Due to Small and Micro Enterprise	3.06	-
Others	19.62	1,377.95
Total	22.68	1,377.95

Disclosure related to Micro, Small and Medium Enterprises:

On the basis of confirmation obtained from the supplier who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the company, the following are the details:

Particulars	As at 31.3.2022	As at 31.3.2021
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	3.06	--
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	--	--
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	--	--
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	--	--
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises	--	--

Trade Payable: Ageing Schedule:

Particulars	As at 31.3.2022			
	MSME	Others	Disputed - MSME	Disputed - others
Not Due	3.06	19.62	-	-
Less than 1 year	-	-	-	-
1 year to 2 years	-	-	-	-
2 years to 3 years	-	-	-	-





Notes to the financial statements

(Rs. In lakhs)

More than 3 years	-	-	-	-
	3.06	19.62	-	-
Total:		22.68		-

Particulars	As at 31.3.2021			
	MSME	Others	Disputed - MSME	Disputed - others
Not Due	-	1,377.95	-	-
Less than 1 year	-	-	-	-
1 year to 2 years	-	-	-	-
2 years to 3 years	-	-	-	-
More than 3 years	-	-	-	-
Total:		1,377.95		-

Note 16: Other Financial Current Liabilities (at amortised cost)

Particulars	As at 31.3.2022	As at 31.3.2021
Capital creditors	2,485.97	1,350.37
Retention Money	8,926.72	12,033.03
Total	11,412.69	13,383.40

Note 17: Other Current Liabilities

Particulars	As at 31.3.2022	As at 31.3.2021
Advance from customers	9.18	-
Liabilities of employees	98.07	57.79
Statutory dues payable	85.08	41.00
Total	192.33	98.79

Note 18: Revenue from operations

Particulars	For the year ended 31.03.22	For the year ended 31.03.21
Sale of products - Manufacturing operation:		
Caustic Soda Lye	42.47	-
Total	42.47	-

Note 19: Other Income

Particulars	For the year ended 31.03.22	For the year ended 31.03.21
Gain on sale of current Investments	-	25.77
Profit on sale of assets	0.05	-
Interest Income	18.73	33.40
Other Income	0.80	-
Total	19.58	59.17





Notes to the financial statements

(Rs. In lakhs)

Note 20: Cost of Materials consumed

Particulars	For the year ended 31.03.22	For the year ended 31.03.21
Raw Material	42.47	-
	-	-
Total	42.47	-

Note 21: Employee Benefit Expenses

Particulars	For the year ended 31.03.22	For the year ended 31.03.21
Salaries and allowances	524.28	279.95
Contribution to provident and other funds	28.11	13.79
Less: Capitalised	(397.34)	(194.42)
Total	155.05	99.32

The Code on Social Security ,2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code become effective.

Note 22: Finance Cost

Particulars	For the year ended 31.03.22	For the year ended 31.03.21
Interest Expenses	4,489.23	3,949.96
Other borrowing cost	23.88	22.12
Less Amount Capitalised	(4,499.31)	(3,972.08)
Total	13.80	-

Note 23: Depreciation & Amortisation:

Particulars	For the year ended 31.03.22	For the year ended 31.03.21
Depreciation on PPE	70.07	15.14
Amortisation of Right-of-use assets	88.10	88.11
Amortisation of Intangible assets	16.22	3.47
Less: Amount capitalised	(87.62)	(88.11)
Total	86.77	18.61

Note 24: Other Expenses

Particulars	For the year ended 31.03.22	For the year ended 31.03.21
Consultancy / Professional fee	11.41	13.52
Vehicle Hiring Expenses	18.41	13.96
Payment to auditors	3.56	2.80
Rent	31.94	30.14
Electricity charges	2.57	2.95
Travelling Expenses	5.32	7.78
Share Issue Expenses	-	0.75
Insurance expenses	98.61	90.19
CSR Expenses	0.98	-



Notes to the financial statements

(Rs. In lakhs)

Other Miscellaneous expenses	57.20	38.98
	230.00	201.07
Less Amount Capitalised	(96.48)	(89.63)
Total	133.52	111.44

Payment to auditors

Particulars	For the year ended 31.03.22	For the year ended 31.03.21
As auditor	1.90	1.50
For other services *	1.66	1.30
Total	3.56	2.80

* Current year payment includes Rs.0.30 lakhs to previous auditor.

Note 25: Tax Expense

Particulars	For the year ended 31.03.22	For the year ended 31.03.21
Current Tax in relation to:		
Current Year	-	15.38
Deferred Tax	-	-
Total	-	15.38

The income tax expense for the year can be reconciled to the accounting profit as follows

Particulars	For the year ended 31.03.22	For the year ended 31.03.21
Profit & Loss before tax	(369.56)	(170.20)
Income tax expense calculated at 27.82 % (PY 27.82)	(96.09)	(44.25)
Deferred Tax assets on carry forward losses not recognised	96.09	-
Effect of expenses not deductible	-	59.63
Total	-	15.38

Note 26: Contingent Liabilities not provided for

Particulars	As at 31.3.2022	As at 31.3.2021
Contingent Liabilities not provided for in respect of :		
Bank Guarantees	378.32	615.84
Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	5,235.60	19,884.88
Claims of contractors and suppliers	1,339.17	7,319.17
Total	6,953.09	27,819.89

Note 27: Earning per share

Particulars	For the year ended 31.03.22	For the year ended 31.03.21
Profit after tax for the year attributable to equity shareholders (Rs. In Lakhs)	(369.56)	(185.58)
Weighted average number of equity shares (in Nos.)	69,00,00,000	62,21,91,781
Basic and Diluted earnings per equity share (in Rs.)	(0.05)	(0.03)
Face Value per equity share (in Rs.)	10.00	10.00

Note 28: Leases

As lessee





Notes to the financial statements

(Rs. In lakhs)

Disclosure regarding lease:

Particulars	For the year ended 31.03.22	For the year ended 31.03.21
Depreciation/amortisation charge for right-of-use assets by class of underlying asset;*	88.10	88.11
Interest expense on lease liabilities	-	-

*Lease amortisation is capitalised up to the time of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management, i.e. till the plant gets commissioned. In the current year, Rs.87.62 lakhs (P.Y - Rs.88.11 lakhs) is capitalised in capital work-in-progress .

B: Short term Lease:

The Company has obtained certain office premises for its business operations which are not non-cancellable under leave and license agreement and are renewable by mutual consent on mutually agreeable terms. The Company has given refundable interest free security deposits in accordance with the agreed terms. These refundable security deposits have not been valued at amortised cost under relevant Ind AS, because of small value in nature.

Lease payments during the year:

Particulars	For the year ended 31.03.22	For the year ended 31.03.21
Lease payments	31.94	30.14

As Lessor:

The company has not given any asset on lease.

Note 29: Related party disclosure:

Name of the related party and description of their relationship as under:

Name of Related Parties	Nature of Relationship
Gujarat Alkalies & Chemicals Ltd.	Joint Venturer
National Aluminum Company Ltd.	Joint Venturer
Sri M Torwane - Chairman	Key Management Personnel (KMP) up to. 06.02.2022
Sri H R Patel - Chairman	Key Management Personnel (KMP) w.e.f. 09.02.2022
Sri K K Panda - Vice Chairman	Key Management Personnel (KMP)
Sri S S Bhatt - Director	Key Management Personnel (KMP)
Sri G S Paliwal - Director	Key Management Personnel (KMP)
Smt Binuta Patra - Director	Key Management Personnel (KMP)
Sri Ketan Shah - CEO	Key Management Personnel (KMP)
Sri N B Tripathy - CFO	Key Management Personnel (KMP)
Sri M V Mistry - CS	Key Management Personnel (KMP)

The following transactions were carried out with the related parties in ordinary course of business during the year:

Nature of Transaction	For the year ended 31.03.22	For the year ended 31.03.21
A. Joint Venturer		
Expenses incurred by GNAL and reimbursed / to be reimbursed:		
Rent and electricity charges paid for 401-403 Yashkamal building	34.13	30.14
Construction of boundary wall	-	48.37
Salaries of employees on deputation	3.15	-
Purchase of Materials	183.14	-
Total :	220.42	78.51





Notes to the financial statements

(Rs. In lakhs)

Expenses incurred by GACL and reimbursed / to be reimbursed:	-	1,330.74
Expenses incurred by NALCO and reimbursed / to be reimbursed:	69.94	70.10
Share capital received from promoters (GACL)	-	5,400.00
Share capital received from promoters (NALCO)	-	3,600.00

B. Key Management Personnel :

Director's - Incidental expenses:

Sri P K Gera -	-	0.10
Sri M Torwane - Chairman	0.125	0.05
Sri H R Patel - Chairman	0.025	
Sri K K Panda, Vice chairman	0.175	0.20
Sri S S Bhatt - Director	0.175	0.15
Sri S K Padhee -	-	0.05
Smt. Sonali Jignar - Director	-	0.03
Sri G S Paliwal -	0.175	0.12
Smt. Binuta Patra - Director	0.175	0.08
Total	0.850	0.78

KMP remuneration and deputation allowance

Sri Ketan Shah, CEO	29.97	31.42
Sri N B Tripathy, CFO	14.59	14.22
Sri M V Mistry, Company secretary	0.60	0.57
Total	45.16	46.21

Balances payable as at the end of the year

Particulars	As at 31.3.2022	As at 31.3.2021
Gujarat Alkalies & Chemicals Ltd.	161.01	1,282.40
National Aluminum Company Ltd.	69.94	70.10
Total	230.95	1,352.50

Note 30: Financial Instrument disclosure:

Capital Management

The capital structure of the Company consists of both equity and debt. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

Management of the Company reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital, risks associated with each class of capital requirements and maintenance of adequate liquidity.

Categories of Financial Instruments:

Particulars	As at 31.3.2022	As at 31.3.2021
Financial Assets		
Measured at Fair Value through Profit or loss (FVTPL)		
Investment in Mutual Funds	-	-
Measured at Amortised Cost		
a. Trade Receivables	23.78	-
b. Cash and Cash equivalents	24,484.73	9,506.55
c. Other Bank Balances	3,108.96	5,052.84
d. Other Financial Assets	884.59	152.62
Total Financial Assets	28,502.06	14,712.01





Notes to the financial statements

(Rs. In lakhs)

Financial Liabilities

Measured at Amortised Cost

a. Borrowings	1,52,951.75	1,06,987.73
b. Trade Payables	22.68	1,377.95
c. Other Financial Liabilities	11,412.69	13,383.40
Total Financial Liabilities	1,64,387.12	1,21,749.08

Financial Risk Management

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's capex operations. The Company's principal financial assets include deposits and cash and cash equivalents.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior Management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a. Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of the business. The major components of market risk are price risk and interest rate risk.

i. Price Risk

Investment of short-term surplus funds of the Company in liquid schemes of fixed deposits and mutual funds provides high level of liquidity from a portfolio of money market securities.

ii. Interest Rate Risk

The Company's main interest rate risk arises from the long term borrowings with floating rates. The Company's floating rates borrowings are carried at amortised cost. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

If the interest rates had been 50 basis points higher / lower and all other variables were held constant, the Company's interest expense would be impacted to the extent of Rs.421.48 lakhs (PY: Rs.389.78 lakhs). However, there would be no impact on profit before tax, since interest is capitalised.

b. Liquidity Risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages its funds mainly from capital infusion and borrowings.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cashflows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company maybe required to pay.

(Rs. in lakhs)

Particulars	Within 1 year	1 year - 3 years	more than 3	Total
			years	





Notes to the financial statements

(Rs. In lakhs)

As at 31 March 2022

a. Borrowings	-	43,427.56	1,09,524.19	1,52,951.75
b. Trade Payables	22.68	-	-	22.68
c. Other Financial Liabilities	11,412.69	-	-	11,412.69
Total	11,435.37	43,427.56	1,09,524.19	1,64,387.12

As at 31 March 2021

a. Borrowings	-	38,202.53	68,785.20	1,06,987.73
b. Trade Payables	1,377.95	-	-	1,377.95
c. Other Financial Liabilities	13,383.40	-	-	13,383.40
Total	14,761.35	38,202.53	68,785.20	1,21,749.08

The Company has access to committed long term credit facilities of Rs.880 crs RTL and 100 million USD (PY 750 crs RTL and 100 million USD) and short term working capital facilities of Rs.160 crs (PY - Nil). The used and unused credit facilities at the end of the reporting year are mentioned below. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Long Term Credit Facilities:

Particulars	As at 31.3.2022	As at 31.3.2021
Rupee Term Loan from PNB		(Rs. in lakhs)
Amount used	77,600.00	45,000.00
Amount unused	10,400.00	43,000.00
USD Term Loan, ECB from SBI		In million USD
Amount used	100.00	85.00
Amount unused	-	15.00

Short Term Credit Facilities:

Particulars	As at 31.3.2022	As at 31.3.2021
Working capital Loan from SBI		(Rs. in lakhs)
Fund & Non fund Based	8,000.00	Nil
Amount used	Nil	Nil
Amount unused	8,000.00	Nil
Working capital Loan from PNB		(Rs. in lakhs)
Fund & Non fund Based	8,000.00	Nil
Amount used	Nil	Nil
Amount Unused	8,000.00	Nil

Nature of Security:

1. First charge on pari passu basis by way of mortgage / assignment / charge, of entire current asset of the company (present & Future), receivables, packing material, including all stocks of raw material, stock in process, finished goods, stores, spares and consumables, (including goods under transit) ranking first pari passu with other working capital lender.
2. Second Charge over entire fixed asset of the company located at Dahej, Bharuch ranking 2nd pari-pasu, with other working capital lenders.

c. Credit Risk

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**Notes to the financial statements**

(Rs. In lakhs)

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk off financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in mutual funds, other receivables and loans and advances. None of the financial instruments of the Company result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

31. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

32. Corporate Social Responsibilities (CSR):

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
a) Amount required to be spent by the company during the year	0.98	1.42
b) Amount of expenditure incurred:	0.98	6.00
c) Shortfall / (surplus) at the end of the year	-	(4.58)
d) Total of previous years shortfall / (surplus)	(4.58)	
e) Reasons for shortfall	NA	NA
f) Nature of CSR activities	Promotion of education, healthcare including preventive healthcare and sanitation.	
g) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant AS	CSR activities during the financial year was implemented through GACL Education Society, a CSR arm of GACL & an eligible entity.	
h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	-	-

33. Other statutory information :

a) The company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

b) On the basis of information available, the company does not have any transactions with struck off companies.

c) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d) The company has not traded or invested in Crypto currency or Virtual Currency during the year.

e) The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

f) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:



Notes to the financial statements

(Rs. In lakhs)

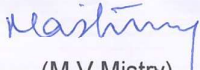
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- g) The company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- h) There are no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- i) The Company has declared COD on 30th March 2022 and was in operation for 2 days only. Since, the activities are not material, ratios as required under Schedule - III have not been furnished.
- j) Working capital loan has been sanctioned during the year, but no disbursement was taken as on Balance Sheet date.

34. Previous year's figures are regrouped / reclassified wherever necessary to correspond with current year's classification/ disclosure.

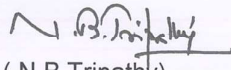
35. Approval of financial statements

The financial statements were approved for issue by the Board of Directors on 17th May 2022.

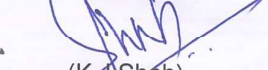
For and on behalf of Board of Directors


(M V Mistry)

Company Secretary


(N B Tripathy)

Chief Financial Officer


(K J Shah)

Chief Executive Officer


(K K Panda)

Director

DIN-08436491


(S S Bhatt)

Director

DIN-2025125

As per our report of even date attached.

For K C Mehta & Co.
Chartered Accountants
FRN - 106237W





(Pritesh Amin)

Partner

M No.105926

Place: Vadodara

Date: 17/05/2022